



10 Year Anniversary
IMPACT REPORT

2011-2021



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A Message from the CEO



Sometimes a small change can have a ripple effect that can be felt throughout an industry. Sefa has been that ripple in social investment in the last 10 years.

Looking back over the last decade, I'm proud of how far Sefa has come. We have not only evolved our business model and offering, we have also shifted our culture to the benefit of our organisation and the wider sector.

Back in 2011, we started with a balance sheet of \$20million and the idea of building the market and generating impact from a capital base. But we quickly learned that capital alone isn't enough. Organisations also need to build their capability to be investment ready and be able to accept capital.

So, in recent years we have really embraced being more agile and flexible. We've created a whole suite of capability building services, including technical investment readiness and capital raising, impact measurement, governance, and decision-making. Far beyond our original small suite of capital-raising services.

This demand-led, agile approach requires governance from the board and management, and needs to be embraced and carried forward by the wider team. Together, the board and leadership team have done incredible work shifting the culture within Sefa – and it has trickled down to how we now do business.

As a result, we've achieved a lot. We have a more principle-based and holistic investment policy, and our new investment committee is bringing a fresh approach to investing. Since 2011, we have disbursed close to \$40million and unlocked another \$80million in capital, thanks to our strong and resilient partnerships. Although Sefa is small, with the support and patience of our partners we've been able to deliver some great outcomes that have a ripple effect on the entire sector.

Since our beginnings, there's a lot more activity in the social impact space. We have more talent wanting to work in the sector and consumers and businesses alike are becoming more conscious of their impact.

But we still have more work to do, especially around education and advocacy. Impact investing has received a lot of hype recently, with investors expecting market returns where impact is the icing on the cake. Aligning expectations with realistic goals will take time and patience – something the team at Sefa and our partners have become very familiar with over the years.

In the coming years, we will continue to listen and respond to market demand while reflecting on our ourselves to be better for organisations, investors and our partners. We will continue to help for-purpose organisations thrive and shift our society's mindset about how we attribute value to social returns. Because we believe the ripple we can create together has the power to transform the world.

H. Ebeling

Hanna Ebeling
CHIEF EXECUTIVE OFFICER

Our Impact Areas



Reflections from the Chair



Two decades ago, there wasn't really a name for our sector. Impact investment has emerged as an agenda on its own – with the help, dedication and patience of Sefa and its partners.

When I started out in this space, retail investors or philanthropy showed no interest in impact investing. And many for-purpose organisations would never have considered a loan or investment of capital other than a grant or funding from government. Doing business and doing good were seen as two separate things.

Sefa has played an integral part in changing this thinking and building Australia's impact investment market. But the process hasn't been easy or fast. Over the past 10 years, the Board has revisited the question of whether there is value in pursuing the growth of Sefa several times.

And the answer continues to be a resounding YES.

Sefa's commitment to social enterprises is in its DNA. Its bespoke approach builds demand and shapes the investment market from the perspective of those enterprises, and this is truly radical. The team brings incredible insights, capacities and capabilities – not just a contribution, but a gift to the Australian impact investment space.

For-purpose organisations now consider loans, capital investments or blended strategies as viable options. And as these organisations access more flexible capital and grow, we will see them become increasingly independent, leading to real, meaningful change.

Investors have also proven their patience and willingness to take risks – and that it is possible to generate purpose and financial return at the same time.

Working at the forefront of the industry, it has been important to share our learning. That's why we created our sister organisation Sefa Partnerships, as an experiment to further the development of this sector. And it's starting to bear fruit. If we can stay focused on the intersection of impact investment and philanthropy, we'll see some positive outcomes in the next five years.

I'm incredibly proud that Sefa has managed to become a sustainable business. In a landscape where impact investment businesses are not thriving, Sefa is. Working through a 'theory of change' lens has allowed the team to bring in diverse views, have flexibility to adapt and be responsive to the environment – and also align our direction and commitment. We are holding this space and showing Australia what's possible, providing a model for others to follow.

Watching Hanna Ebeling take all her knowledge and apply it in the CEO's role over the last 18 months has been a true highlight for the Board. We are looking forward to what else we can achieve under her leadership.

We also want to celebrate our patient, loyal and committed investors and partners who have helped us leverage investments over and over again throughout the past decade. As we work more in the market building space, I look forward to watching these strong, deep relationships transform into impactful alliances.

Belinda Drew
CHAIR SEFA
NON-EXECUTIVE DIRECTOR SEFA PARTNERSHIPS
MEMBER INVESTMENT COMMITTEE

The origins story from our Founder



It takes an ecosystem to raise a business. You can have a great idea and skills, but unless you have the right people around you, you can fail before you have even started.

On the back of a global financial crisis in 2008, we wanted to create a social enterprise that would lend to charities and help them leverage the assets they have. Many charities relied solely on their cash reserves to operate, so if they couldn't build up a large enough reserve, they struggled. Our aim was to put some of these cash balances to work, with Sefa acting as an intermediary. We didn't realise how significant our role would soon become.

The impact investment industry was just coming into existence when we started Sefa. It was disjointed, with no common link bringing people together. Recognising this, the Federal government developed the Social Enterprise Development and Investment Funds (SEDIF) initiative – to help for-purpose organisations overcome the inequity they face sourcing investment or debt.

SEDIF planned to establish a number of investment funds to generate social outcomes and financial returns – and increase capital for social enterprises in Australia through investment readiness support and capability building. Sefa was one of the first organisations chosen to be part of this initiative, receiving a \$10million grant.

Since then, we have multiplied this grant tenfold, unlocking more than \$120million of capital for social impact across 50 organisations.

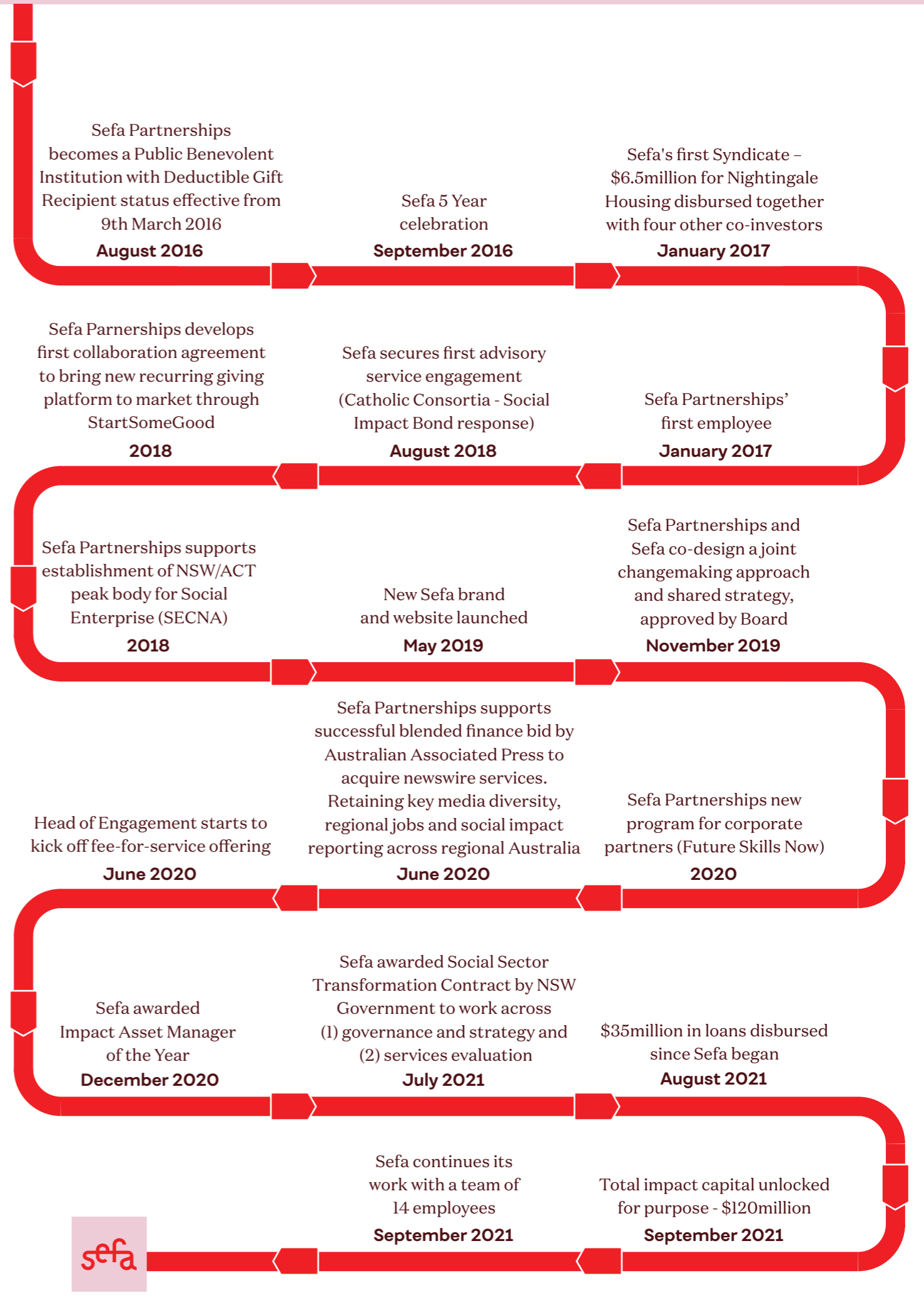
To assist the ongoing development of smaller organisations supporting disadvantaged communities, we established Sefa Partnerships in 2016. For-purpose organisations often struggle to access loans with little or no equity. So we created hybrid loans, backed by donation grants to give them the resources they need to thrive. In the five years since, we have helped unlock capital and capability for more than 200 organisations and have helped leverage \$1.5million into the sector. And now Sefa and Sefa Partnerships work hand in hand with a joint strategy.

We wouldn't be here today without the support of our growing ecosystem of enterprises, investors and partners. We have established successful partnerships with groups such as National Australia Bank, Lord Mayor's Charitable Foundation, and the Indigenous Land and Sea Corporation. Along with our shareholders, including the NSW Aboriginal Land Council and Triodos Bank, I am very proud of Sefa's development over the past 10 years.

Our journey over the next decade will see us continue to give confidence to more marginalised groups so they too can fight for their share. We still maintain the hope and optimism we had when we started – because we believe in engineering permanent change, to create stronger and more resilient societies.

David Rickards OAM
CHAIR, SEFA PARTNERSHIPS
NON-EXECUTIVE DIRECTOR OF SEFA

Sefa Timeline



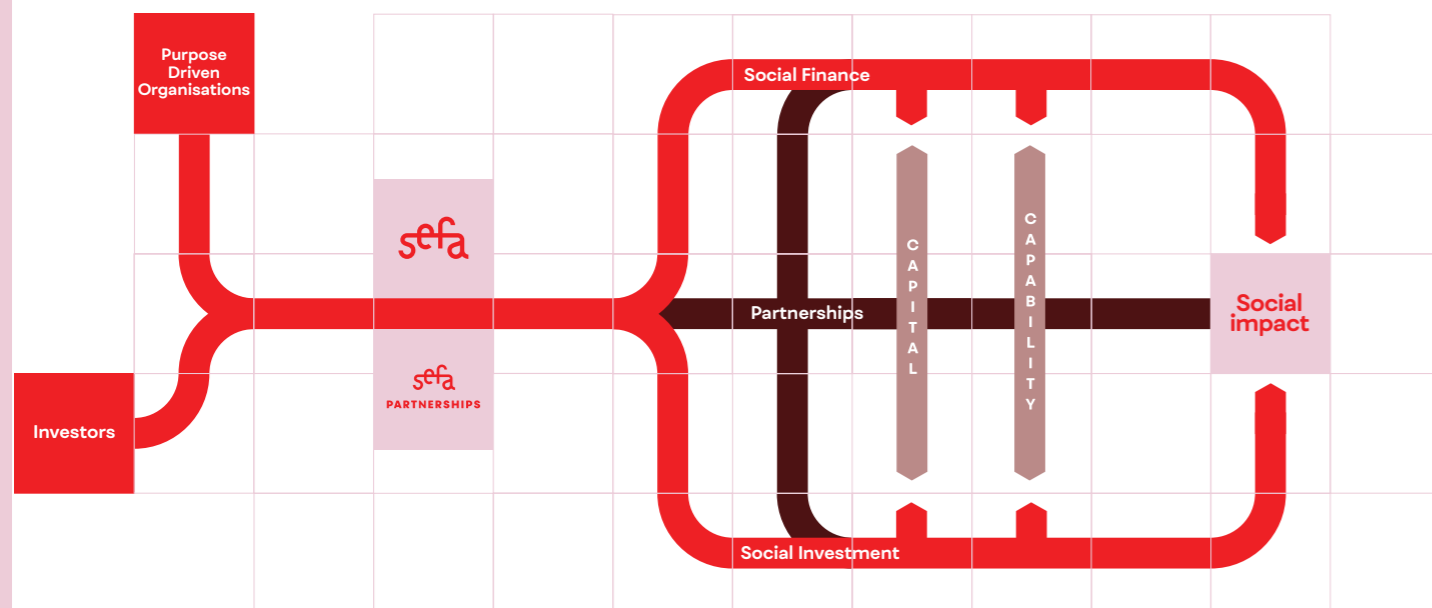
Sefa and Sefa Partnerships work together to support purpose-driven organisations and investors.

We do this through both capital and capability building.

We walk beside organisations on their pathways to becoming sustainable, and offer support beyond just finance.

We believe that the most effective way to unlock this social impact is to work in partnership with other organisations.

Sefa Pathways to Social Impact



We use three main approaches to achieve social impact:

Investment from Sefa's balance sheet

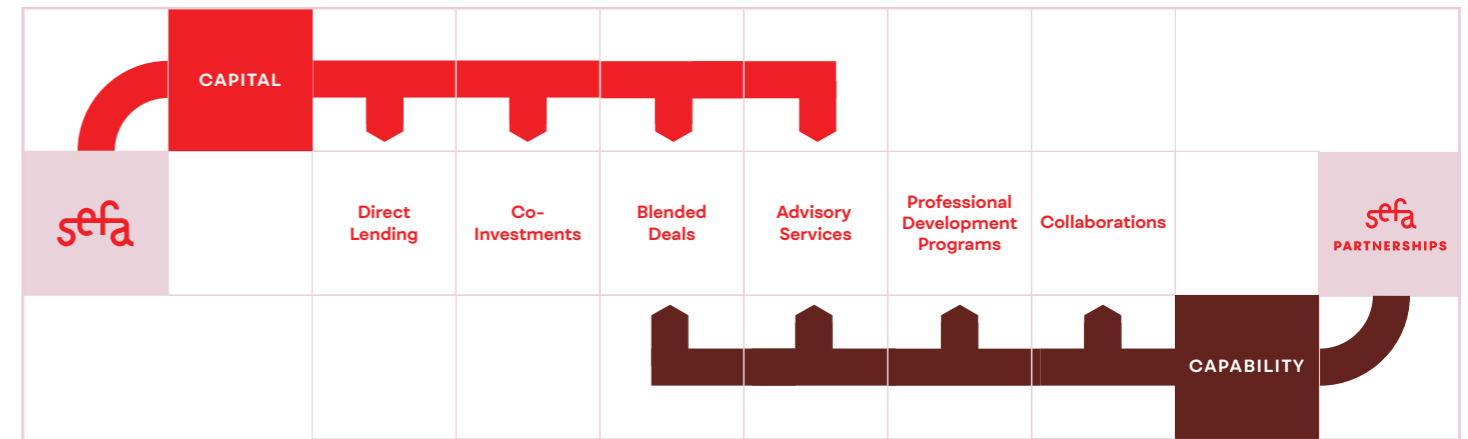
Co-investment in partnership with philanthropy, government and other impact investors

Professional services

CAPITAL

CAPITAL and CAPABILITY

CAPABILITY



While supporting the growth and resilience of purpose-driven organisations, we generate positive returns for investors.

SEFA OFFERS:

Direct Lending: We lend directly to purpose-driven organisations, considering the organisation's capacity to repay a loan. We offer impact investors the opportunity to invest for diversification of risk and impact.

Co-investment: We enable purpose-driven organisations to grow by inviting other impact investors to participate in large projects, alongside Sefa.

Blended Deals: Alongside Sefa Partnerships, we design finance solutions that are manageable for purpose-driven organisations. Partnering with philanthropy and government, we leverage the grant dollar with our loan products.

Advisory Services: Alongside Sefa Partnerships, we offer investment readiness for purpose-driven organisations and due diligence for impact investors. We run educational workshops, create learning resources, and speak at conferences.

We build unique learning programs and capital partnerships supporting impact organisations across Australia.

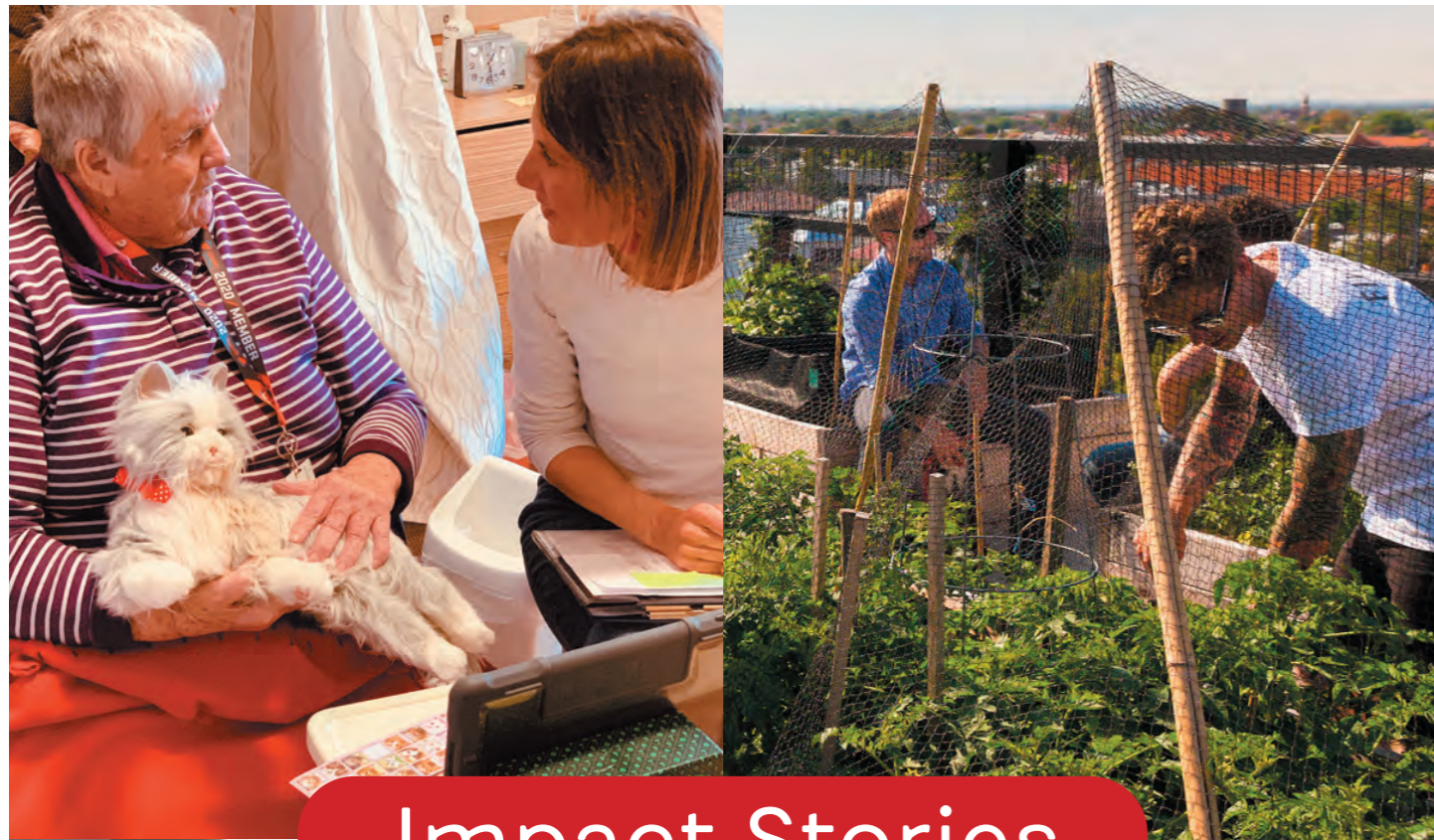
SEFA PARTNERSHIPS OFFERS:

Professional Development Programs: Our learning programs are for social entrepreneurs, non-profit organisations, government and corporate partners. Whether a bespoke workshop or series of courses, Sefa Partnerships design and deliver learning programs for personal and professional development.

Collaborations: We work together with partners to enable finance for impact. Collaborations are unique to the needs of each impact organisation and could include developing a theory of change, strengthening capacity and networks, or enabling capital options.

Blended Deals: Alongside Sefa, we design finance solutions that are manageable for purpose-driven organisations. Where appropriate, we leverage Sefa Partnerships' PBI status to bring a philanthropic component to loans from Sefa's balance sheet, enabling access to capital resources.

Advisory Services: We apply Sefa Partnerships' learning and human-centred design knowledge to deliver bespoke educational sessions to clients, alongside Sefa's technical work.



Impact Stories



MiHaven LOANS 2014-2018

MiHaven has operated as a for-profit, social enterprise builder, developer and registered training organisation for 10 years. MiHaven helps unemployed Australians enter long-term employment by providing them with training in construction, retail, early childhood, aged/disability care and hospitality.

Impact areas



Indigenous Development



Employment



Education

From validation to business growth and diversification.

When MiHaven first came into contact with Sefa, they had less than 15 employees and were operating MiHaven Construction and MiHaven Development. They had been building social housing in remote Indigenous communities but weren't able to get the backing of government.

In a pilot project, the MiHaven Property Fund purchased an old Queenslander-style house on a large block in Cairns, using Sefa loan finance. The land was sub-divided, the original house renovated, and a stylish inner-city home built on the land. Both properties were then sold and the project delivered an employment training model for Indigenous carpentry apprentices.

A series of Sefa loans helped MiHaven become standalone so they could continue to support trainees and create a pipeline of building. Sefa provided seed funding which enabled independence in their business, and the ability to control their workforce and training levels. They were able to establish themselves as a registered training organisation (RTO) and their training school blossomed, providing pathways for over 800 indigenous community members.

MiHaven now has 50 employees, 30% of which are Indigenous, and many are from diverse cultural backgrounds. Along with their Construction and Development arms they now run MiHaven Care - Specialist Disability Accommodation home construction and management; MiHaven Living - premium short term accommodation; MiHaven Student Living - premium student accommodation; MiHaven Education - RTO. They have recently employed their first female apprentice.

IMPACT

Some of MiHaven's achievements over the last ten years include:

- Project managing and building **the first purpose-built** social housing for women and families impacted by domestic violence in partnership with Access Community Housing Company.
- Building the first NDIS Specialist Disability Accommodation (SDA) housing in Cairns in October 2020 and establishing a **\$25million** Social Impact Investment Fund to support MiHaven Care to build, develop and manage **20** purpose-built SDA houses in the Cairns region over the next five years.
- Establishing MiHaven's RTO **training school** within the operations of the MiHaven construction business; delivering carpentry apprentice training to the local community including many high schools throughout the region.

"Sefa's support demonstrated we are a viable investment with strong social and financial returns."

SARAH MORT,
Director and Co-founder



Tender Funerals

BLENDED LOANS 2017 and 2021



Jenny Briscoe-Hough had an idea to adopt a social enterprise business model to provide affordable and culturally sensitive funerals to avoid exclusion from a basic human right: to be buried with dignity. Tender aims to foster an informed, community empowered, and supported offering for all aspects of end of life.

As a start-up, Tender received overwhelming support via a crowdfunding campaign. To complete the puzzle, it became important for Tender to find mission-aligned partners that could fill the gap to support its start-up phase.

From social enterprise business to social enterprise franchise.

A loan from Sefa assisted with the purchase of an old fire station in Port Kembla, NSW, and a grant from Vincent Fairfax Family Foundation enabled the conversion of the building into a mortuary. Sefa also supported Tender in validating their business plan and financial model that led to a sustainable funding solution.

Due to local community demand the Tender franchise model is now being rolled out in locations including Canberra, Mid North Coast of NSW, Tasmania and Perth. Sefa has continued providing support by conducting due diligence on new sites as they progress and creating a scalable blended finance structure, combining crowdfunding, philanthropy and social finance debt. The newly created entity, Tender Australia, will act as the franchisor and holder of intellectual property for this venture, which is Australia's first social franchise model.

Impact areas



Community Enterprise



Wellbeing



Community Service

IMPACT

- Tender Funerals Port Kembla has facilitated over **1000** funerals, allowing family members to make choices aligned to their beliefs and budgets.
- **24** volunteers assist with daily operations, demonstrating strong community support and the value placed upon Tender's services.
- **60%** of families participate in the mortuary process.



"Sefa staff brought in the planning expertise required to develop a financial model that ensured long-term sustainability of the organisation and gave confidence to potential funders in regards to the project viability."

It was great to work with a lender that understood the particular approach of a not-for-profit social enterprise and is value-aligned with our organisation."

DENIS JUELICHER, Tender Funerals Mid North Coast

Corryong Neighbourhood Centre

LOANS 2015 and 2017



Like many rural Australian towns, the local community in Corryong faces economic challenges and high youth unemployment. The Corryong Neighbourhood Centre (CNC) has been involved in youth work and community engagement for more than 15 years, creating opportunities through education and social inclusion.

Impact areas



Community Enterprise



Education



Young People

Sefa loan enables independence and confidence.

When Sefa first encountered CNC, they were largely dependent on government and philanthropic funding to deliver programs and services, which include social inclusion groups, youth activities, community services and the management of local events. A reliance on external funding in a challenging market meant that project delivery was complicated and sometimes uncertain.

CNC initially purchased a commercial bakery with a loan from Sefa. Due to the bakery's success, Sefa provided an additional loan, alongside a grant from The William Buckland Foundation for CNC to purchase an existing mechanic workshop to deliver further benefits to the local community.

Since Sefa's initial support for CNC, we have also supported them through a cash flow crisis in 2018/19. In 2020 we put their repayments on hold for five months as the community was severely impacted by the bushfires with road closures, power outages, and property damage.



IMPACT

- Growth of capacity
- Control of their own destiny – **"we know our community"**
- Sustainability
- Improvement in financial management and governance practices
- Confidence to invest in themselves
- Ability to fund future community projects independently
- Longer term community view

The bakery and mechanic workshop have both been transformed into social enterprises and provide opportunities for vocational training and meaningful employment for youth and long-term unemployed. The enterprises also generate much needed additional profits for CNC to maintain independent from government grants.

"Thank you Sefa, we wouldn't be doing it without you."

SARA JENKINS, Business & Education Coordinator



Nightingale Housing

LOANS and FEE FOR SERVICE 2015 – 2021

Nightingale Housing exists to deliver sustainable housing that celebrates and supports the wellbeing of diverse resilient communities. Established as a catalyst for change, Nightingale’s core mission is founded on triple bottom line housing that embodies environmental, social and financial sustainability.

Impact areas



Community Enterprise



Environment



Crisis & Affordable Accommodation

An evolution from social finance to mainstream finance.

Nightingale came to Sefa for a construction loan for its pilot project, to complete a multi-residential development that was innovative by design and the way it would deliver and finance housing. As Nightingale 1.0 had 100% presales and a waitlist of buyers for future projects, a group of impact investors were able to offer a traditional construction loan to a developer who had no proven track record or any financial assets. Nightingale 1.0 had the strength of committed ethical equity investors willing to accept a capped return to reduce development costs. Sefa acted as the originator and agent of this senior debt syndicate from the impact investment sector including Social Ventures Australia, Christian Super, Hantomeli Foundation and John McKinnon Foundation.

Sefa arranged a mezzanine debt syndicate for Nightingale 2.0, following an introduction to NAB as senior lending partner. NAB provided the senior debt for the project and the relationship with them was to prove priceless in the years to come. With a replicable security trust pool structure in hand, Sefa once again helped fund Nightingale 3.0, providing a large syndicate of subordinated debt to NAB’s senior.

The Nightingale Village was a significant step up in scale for Nightingale: Nightingale 1.0 was a \$10million project, the Village was \$100million. Thanks to that early establishment of relationship and understanding of the model facilitated by Sefa, NAB was prepared to step up and provide both a land facility and a development facility for the project, with HESTA Super Fund joining for the sub-ordinated debt piece.

For Nightingale Ballarat, NAB provided all the senior debt for their first regional project which demonstrates the diverse application of the Nightingale model. Nightingale has evolved from a pure social finance funding concept to a mixed social finance/senior NAB debt model to NAB being the exclusive debt provider.

The evolution

As Nightingale found its stride and began to scale, they found the need to create their own resource for bringing in project funding outside of senior debt. Nightingale engaged Sefa for research and assessment of potential structures from a practical and cost perspective. With that advice in hand, they have created The Nightingale Fund, allowing them to manage subordinated debt from many sources across many projects.

“It is no exaggeration to report that the early faith of Sefa to back the concept of Nightingale and the subsequent work in structuring, advice and building relationships with other capital providers have made an immeasurable impact on Nightingale’s ability to fund projects and deliver on its mission. We wouldn’t be here without them.”

JEREMY MCLEOD, Co-founder



“We sought out a lending partner that had similar values to our own, a lender that cared about community, that cared about sustainability and that cared about how their investment should support positive change.”

Kardan Construction LOANS 2020

Kardan Construction is a Perth based licensed construction company with a particular commitment to providing real and diverse opportunities for First Nations people. Kardan has completed projects all over Western Australia, including rural towns and remote communities. Projects range from on-call commercial maintenance through to state-wide government contracts. Kardan Construction is committed to creating long lasting relationships with clients, implementing sustainable construction practices, supporting diversity and providing equal opportunities for all.

Impact areas



Sefa branches into working capital loans with Federal Government's SME scheme.

Our WA partner Impact Seed had been working with Kardan through 2020 to support their strong growth trajectory by developing their capacity to take on impact investment. With Impact Seed by our side we collaborated with Kardan to understand their ethos and organisational vision, and in four months delivered a finance package tailored to Kardan's needs. Multiple facilities catered to Kardan's different requirements, making use of the Federal Government SME Scheme. The working capital facility addressed immediate liquidity needs, with additional capacity available to be unlocked in the medium term. A longer duration term loan enabled investment in strategic expansion. The package reflected a phased approach to Sefa accompanying Kardan on its growth journey.

IMPACT

As well as providing employment opportunities for Aboriginal people, Kardan Construction provides ongoing support, mentorship and training for their employees and apprentices. They also support:

- **Over 55s** in the construction industry with Outcare
- People living with a disability through their work with **Goodwill Engineering**
- Local community groups such as **Art Vs. Depression**
- **Upcycling** by repurposing construction materials/uniforms.



"From the very start to the moment the money landed in our business account, Sefa were a pleasure to deal with. A professional dedicated team that went above and beyond communicating our contractual obligations.

Kardan Construction's success in securing Sefa's facilities presents a renewed focus on targeting new clientele and work opportunities that were a mere pipe dream prior to engaging with Sefa."

FRANK MITCHELL, Director

42 Adelaide by KIK Innovation LOAN 2021

Louise Nobes, founder of KIK Innovation and 42 Adelaide, is driven to solving the complex issue of youth unemployment by providing access to high skilled education and jobs.

42 Adelaide is part of 42, a network of fee-free coding schools with over 10,000 students in more than 20 countries. The school attracts diverse and disadvantaged people over 16 years old, upskilling and connecting them to companies to meet demand for IT roles.

42 was founded in France and its success is based on peer-to-peer learning, where students work on real projects. This pedagogy also supports students to enhance their interpersonal and soft skills including problem solving, critical thinking, self-discipline, and resilience.

Impact areas



42 Adelaide, helping young people forge promising careers in the tech sector.

A loan from Sefa assisted 42 Adelaide to establish its operations with working capital, specifically financing the purchase of computers. Sefa provided this loan under the Federal Government's SME Scheme, which provides a 50% guarantee in the case of a default. The South Australian Government also supported 42 Adelaide as part of its Skilling SA program.

IMPACT

- Since opening its doors in June 2021, **200** students have taken part in the 4 week coding bootcamps (known as Piscines).

From the enrolled students:

- **25%** were women;
- **60%** were young people under 25 years old (where 90% were eligible for Job Training funding and the remaining 10% were not eligible due to visa status).

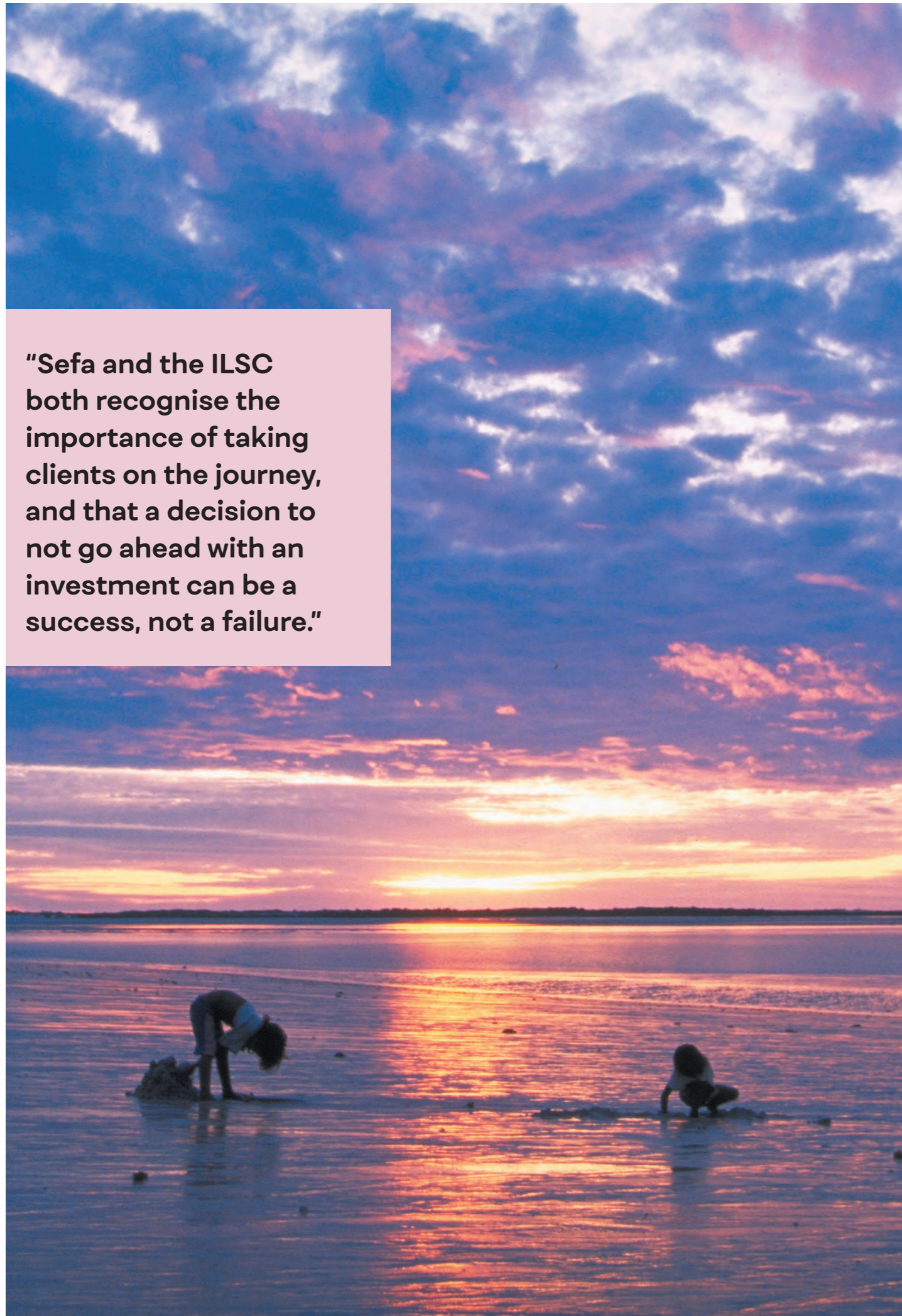


"The funding from Sefa has been fundamental to the growth of 42 Adelaide.

The team, their guidance and commitment to supporting 42 to make the largest impact, has been incredibly important.

I personally have found the process to be very rewarding and the relationships we have established are wonderful."

LOUISE NOBES, CEO and founder, 42 Adelaide



“Sefa and the ILSC both recognise the importance of taking clients on the journey, and that a decision to not go ahead with an investment can be a success, not a failure.”



Indigenous Land and Sea Corporation PARTNERSHIP since 2020

The Indigenous Land and Sea Corporation (ILSC) is a corporate Commonwealth entity set up in 1995 under the Aboriginal and Torres Strait Islander Act 2005. Their purpose is to return land, fresh water and saltwater country to Indigenous people, and enable sustainable management of country for social, cultural, economic and environmental benefits. The ILSC’s vision is that Indigenous people enjoy opportunities and benefits that the return of country, and its management brings.

The ILSC provides grant funds through its core program *Our Country Our Future* to Indigenous groups to assist with either the acquisition of rights in land/water or the management of Indigenous interests in land/water.

Impact areas



Indigenous Development



Environment

How did you come across Sefa? What made you reach out?

SVA Impact Investing introduced the ILSC to Sefa when we were building our networks and knowledge about impact investment and social finance.

The ILSC is a grant making entity, but we’re supporting increasing numbers of projects with a commercial dimension, where debt or investment finance can play a role in a blended finance structure.

When we met with Sefa we identified a large swathe of common ground. We both work with for-purpose or community organisations that aren’t often ‘investment ready’ and where the journey to an investment decision can be long and arduous. We found that we had a project in common, an early learning centre in NSW, where Sefa had played a role in one leg of the journey and ILSC was coming in at the very end as a grant funder together with some philanthropic funders.

We thought that Sefa could bring a unique skill set to assisting the ILSC and our clients with exploring investment and started looking for the right project to partner on.



Can you give some highlights of how Sefa has helped and supported ILSC's work?

We engaged Sefa to support an Indigenous organisation that was looking for ILSC funding for new property infrastructure. The objective was to work with the group to explore financing options but also to build ILSC knowledge and understanding, so we also asked Sefa to make their process transparent – so that ILSC staff could see the process Sefa undertakes in assessing financing options and investment readiness. Sefa then delivered a workshop for ILSC staff on impact investment and the due diligence processes they undertake pre-investment.

How do you see Sefa continuing to add value through our ongoing partnership?

Sefa has a unique offering. They have advisory capability that draws from their experience as an investor, they have an investment fund and a wide network of other social investors. Most investors don’t have the capacity to undertake the kind of long-term due diligence and capacity building that can be required in our sector, especially if the deal doesn’t materialise at the end.

Lord Mayor's Charitable Foundation

PARTNERSHIP since 2015

For close to 100 years, Lord Mayor's Charitable Foundation (LMCF) has made a real and lasting impact on the big challenges facing Greater Melbourne.

Tackling the housing affordability crisis together.

Partnering for innovative finance

Sefa and LMCF joined forces in 2015 to establish the Affordable Housing Loan Fund. LMCF invested \$3million, for disbursement to selected affordable housing development projects throughout Victoria. Habitat for Humanity, Victoria received the first loan distributed from the Fund.

In 2017 we collaborated on The Affordable Housing Challenge, to encourage creative solutions to providing affordable housing. The challenge was run with local government land partners who could make suitable land available at no cost (by title transfer or 50-year lease). The Foundation committed to provide a \$1million grant and an impact investment opportunity for developers to apply for a loan for up to \$2million, managed by Sefa.

The 2020 challenge was focused on eligible not-for-profits who wished to use their land holding, including vacant land, strata or redevelopment of existing buildings, to increase the supply of affordable housing in Melbourne.

Partnering for education

With the combined expertise of Sefa and Sefa Partnerships, the team were able to unearth ideas for regeneration. Sefa and LMCF have facilitated a series of roundtables with leaders from the philanthropic sector to raise awareness of impact investing, upskill decision makers in foundations about blended finance opportunities, and contribute to a deeper conversation about social impact.

Partnering for thought leadership

LMCF engaged Sefa to conduct a research project on the best models to use for philanthropic capital in the affordable housing market. The project included a review of domestic and international research on the financing of affordable housing developments. It considered how investment can be layered so that each element of the capital structure is deployed most effectively. At a time when affordable housing has the attention of state and federal governments, this contribution has the potential to drive innovation and systemic change.

Impact areas



Crisis & Affordable
Accommodation

WWF-Australia

PROFESSIONAL SERVICE 2021

WWF-Australia is exploring ways to 'future-proof' Australian society as part of its Regenerate Australia agenda.

A community-centered model of support.

Partnering for regional communities

Sefa, in collaboration with Sefa Partnerships, were engaged by WWF-Australia to undertake consultations in regional communities to explore the potential to unlock community ventures that will contribute to local regenerative economy. We conducted community consultations in three local government areas (LGAs). Each of the LGAs are experiencing recovery from the 2019/20 bushfires differently, with COVID adding complexity to an already challenging backdrop.

Working together, Sefa and Sefa Partnerships connected with fifty people from multiple sectors across the three LGAs – thirty spoke as representatives of organisations and the remainder contributed as individuals.

Partnering for outcomes

With the combined expertise of Sefa and Sefa Partnerships, the team were able to unearth ideas for regeneration based on local knowledge and develop a community-centred model of support. The research also embedded insights for WWF-Australia around on-the-ground relationships and developing grass-roots impact enterprises.

Sefa Partnerships has strong expertise in connecting with community members, leaders, and small organisations. This was important to build a meaningful, structured and community-oriented approach to the collaboration. Sefa brought a financial discipline to the engagement. This informed an approach that reconciled the individual models of engagement with a larger model for forecasting growth and systems change.

Partnering for shared benefits

This collaboration benefited all three parties by expanding our understanding of unmet needs in communities. The ability for the collective team to apply different disciplines of thought and process to the work enabled a holistic exploration of the assumptions that WWF-Australia was testing. This also enabled greater insights into the current stage, allowing WWF-Australia to realistically build out the next phase of the project. We presented three feasible models for WWF-Australia to consider for the next phase of activity.

Impact areas



Environment



Community
Enterprise



"We are inspired by the potential for philanthropy to unlock impact investment opportunities. We enjoy working with not-for-profit leaders who are trying to create new solutions, for example, through layered investment."

**CATHERINE BROWN OAM, CEO
Lord Mayor's Charitable Foundation**



Conducted
community
consultations in

3 LGAs.



"The community consultations undertaken by Sefa gave WWF-Australia a deeper understanding of how we could 'future-proof' Australia by supporting community-led, regenerative ventures."

REECE PROUDFOOT, Head Of Innovation & Impact Investment, WWF-Australia



Connected with
50 people
across multiple
sectors.



Presented
3 feasible models
to consider for
the next phase of
activity.

Sefa Partnerships



Working closely with for-purpose organisations of all sizes at Sefa Partnerships, we have developed a deep understanding of the inherent challenges from establishment through growth stages. These organisations support our most disadvantaged communities, creating lasting change on the big and small issues facing our society.

Sefa Partnerships was established to help these organisations build capability, and access and deploy capital as a tool, effectively growing their capacity.

With benevolent objectives at its core, Sefa Partnerships overcomes these challenges through a systems change lens. We focus on social enterprise and impact investment – ways in which we can sustainably deliver capital and capability for positive impact, for the long term. We believe this approach has the power to directly change the drivers of disadvantage.

This dual theme of capital and capability has informed the core of Sefa Partnerships' work in our early years – running professional development programs for emerging social enterprises alongside small grants through our wonderful partners Macquarie Group Foundation and ING. Over time this has evolved into a joint strategy shared and delivered in partnership with Sefa.

Today, Sefa Partnerships runs personal and professional development programs for a range of for-purpose organisations. A growing number of collaborations also support blended capital in projects, enterprises and sector infrastructure. These are the building blocks to achieving sustainable social change.

We are delighted to share the impact of some of the various social enterprises we have supported over the last five years. We look forward to continuing to learn how to create more meaningful outcomes and improving lives across Australia.

Hannah Miller
HEAD OF SEFA PARTNERSHIPS



The Mulberry Project transforms underutilised land into market gardens to create opportunities for training and employment of disadvantaged communities, particularly migrants and refugees. Located in Toowoomba, Queensland, the project focuses on growing diverse traditional fruits and vegetables, reconnecting recent migrants with the cultural foods of their homelands. Under the Skilling Queenslanders for Work initiative, 11 of the 15 students who completed the 7-month Certificate II Horticulture Training and Work Experience Program are now in employment. The Mulberry Project, in collaboration with Queensland Agriculture Workforce Network (QAWN) and funded by the Queensland Department of Agriculture and Fisheries (DAF), also assists employers looking for skilled horticultural workers and has helped 60 people gain employment during the 2020-2021 financial year. The Mulberry Project supports a diverse community, ranging from ex-child soldiers, through to disengaged teenagers and mothers wanting to return to the workforce. The Mulberry Project is transforming lives, as well as transforming land.

Impact areas



Employment



Community Enterprise

Growing a diverse and supportive community.

Sefa Partnerships first worked with The Mulberry Project when they took part in the 2017 Kick Starter Program (designed and delivered by Sefa Partnerships and funded by the Macquarie Group Foundation). Founder Louise Noble says Kick Starter helped with the onerous task of establishing a not-for-profit organisation, including setting up the framework for accepting tax deductible donations.

The relationship has been ongoing, with Sefa Partnerships looking for opportunities to promote the fantastic work that the Mulberry Project is doing within their community and helping them participate in other programs.



IMPACT

- Transforming underutilised farmland into market gardens
- Reconnecting people with their traditional cultural foods
- Providing an **employment pathway** in horticulture
- **11** of the 15 students who completed the 7-month Certificate II Horticulture Training and Work Experience Program are now in employment.

"Our participation in the Kick Starter program meant that we were taken seriously as a fledging organisation. Kick Starter provided the groundwork for the establishment of our organisation as a Company Limited by Guarantee and Registered Public Benevolent Institution with endorsement as a Deductible Gift Recipient.

The establishment of a not-for-profit social enterprise is onerous, and Kick Starter gave us a framework on which to build the organisation."

LOUISE NOBLE, Founder





Heart and Soul Story SEFA PARTNERSHIPS 2018

Heart and Soul Story (HSS) is a start-up social enterprise with a vision to facilitate empathy and connection through the sharing of life stories. HSS builds intergenerational connection through education and awareness seminars, structured programs, activities and initiatives. These programs contribute to increased emotional intelligence, resilience, connection, and overall wellbeing within society.

The Seniors and Teens Empathy Program (STEP), which reduces isolation for the elderly in care and builds empathy and confidence in teens, is the HSS flagship program.

Finding the right path through the Kick Starter program.

Sefa Partnerships first encountered HSS in 2018 when its founder Samantha Heron was an applicant for the Kick Starter program. HSS was at the nascent stage of development and looking to develop a funding model and approach.

The Kick Starter program supported Samantha to develop a roadmap to guide decisions in the next development phase of HSS. The program offered a balance of personal and professional development through the pairing of workshops and mentoring. In 2020, HSS also participated in the Future Skills Now Program delivered by Sefa Partnerships and Dynamic 4.

Sefa Partnerships has continued to support Sam and HSS during this growth phase, connecting Sam with experts to assist with development of a workable finance model, pro-bono management and legal decision making. This has meant that HSS has reduced their dependency on grant funding and can now operate a blended model.

Impact areas



Young People



Community Service

IMPACT

HSS continues to grow, with STEP having now been delivered in partnerships with aged care operators including Opal Healthcare and Bupa.

- Increases in self-worth for all participants
- Less loneliness and isolation for seniors
- Increased participation by seniors in other activities and social interactions
- New connections and friendships
- Beyond the classroom learning for students
- Increase in self confidence in students
- More positive perceptions of other generations



"Sefa Partnerships approach is always 'sleeves up', with unwavering enthusiasm. They help instil a sense of self confidence in small scale social enterprises which can be plagued with self-doubt on the rollercoaster ride to achieve social impact.

They have an incredible and invaluable knowledge of the sector – the challenges and potential pitfalls and the knowledge and resources necessary to stay on the path to success."

SAMANTHA HERON, Founder & Director



"The Macquarie Group Foundation has collaborated with Sefa Partnerships on our Kick Starter program since 2017. We have really valued this important initiative to support early-stage social entrepreneurs from around Australia, and the Sefa Partnerships team has been key to its success through their expertise and deep knowledge of the sector. The collaboration has resulted in rich learnings for all involved, facilitating new experiences and relationships between the participating entrepreneurs and our people."

**ANNA LE MASURIER, Regional Head
Macquarie Group Foundation**



StartSomeGood

SEFA PARTNERSHIPS 2017



StartSomeGood is a global cause-driven crowdfunding platform, connecting entrepreneurs through innovative partnerships, as well as providing access to capacity building education programs. Founded in 2011, StartSomeGood has helped over 1000 projects raise the funds they need to create their impact. StartSomeGood focuses on helping organisations reach their fundraising goal, rather than just getting the greatest number of projects launched. StartSomeGood work with entrepreneurs to develop their campaign, as well as sharing them across the platform and community. StartSomeGood also run workshops through their different capacity building programs, including the GoodHustle program, which helps early-stage entrepreneurs crystallise their value proposition and get them investment ready.

Impact areas



Education

Sefa Partnerships and StartSomeGood.

Sefa Partnerships has collaborated with StartSomeGood for many years. Since 2017 we have partnered with StartSomeGood as part of the ING Dreamstarter Program, helping entrepreneurs take part in the StartSomeGood capacity building programs once they reached their fundraising targets. We were proud to be a collaborator in the first StartSomeGood virtual summit, as well as helping raise funds for the development of the innovative Activon recurring giving platform and their education programs. We are continuing to partner with StartSomeGood, as together we build capacity for social entrepreneurs to make their businesses more sustainable.

IMPACT

- Supporting social entrepreneurs to **raise funds** to fulfill their impact goals
- Creating a philanthropic community that can easily **access projects** to support
- Helping social entrepreneurs crystallise their value proposition and help them become **investor ready**



"Our partnership with Sefa Partnerships has been crucial to our work over the past several years, allowing us to raise the capital needed to invest in the further development of our fundraising platform and in particular the launch of recurring crowdfunding in 2020. Sefa Partnerships have further supported our #StartingGood Virtual Summit and development of a crowd-lending platform, all initiatives focused on building the infrastructure and capacity of the social enterprise sector."

TOM DAWKINS, Co-Founder



Australian Associated Press

SEFA PARTNERSHIPS 2020



Australian Associated Press (AAP) has been delivering independent news services to Australia for 85 years. In March 2020, News Corp and Nine News announced their decision to shut down this vital independent service.

In August 2020 a network of philanthropists and impact investors banded together to purchase AAP. Their goal was to keep an independent newswire in the market, providing important facts-based stories to the community, as well as keeping the court reporting service alive. This was especially important for rural and remote communities that had already been impacted by the closure of local mastheads. The company was transformed into a not-for-profit, with journalists and photographers based all over Australia.

Impact areas



Community Service

Sefa Partnerships supports independent media.

Sefa Partnerships was proud to be chosen as a partner to help keep the independent newswire alive. We recognised the importance of making sure that disadvantaged sections of the community had a platform to share their stories and advocate for change. AAP also provides a platform which share the achievements of marginalised communities, providing role models to other communities. Sefa Partnerships was able to tap into its network of philanthropists as well as work with stakeholders to help raise over \$500,000 to maintain this much needed service.

IMPACT

- Provision of independent facts-based news stories to media organisations and communities around Australia
- Court reporting service
- AAP now has a reach of more than **400** news outlets and a shared audience in excess of **15 million** per day who consume its news daily in various formats

ONLINE ANALYTICS

	Matches	Web Shares	On Post
National News	1,080,427	4,210,000	1,710,000
Sport	544,583	795,000	414,000
International News	16,726	258,000	104,000
International Sport	12,903	99,000	76,400
Business & Finance	5,391	15,400	5,490
Entertainment & Lifestyle	129	35	1

There were **1.67m matches** of AAP text content online which led to **5.36m 'Web Shares'** and **2.31m engagements** for AAP subscribers.

CONTENT SUMMARY



"In August 2020 AAP was reborn as a social enterprise; a not-for-profit entity devoted entirely to serving the Australian people. This was a monumental task and was only achieved because we found partners who understood the importance of independent, fact-based news, and understood how a revenue-earning not-for-profit was the best model for this. Sefa Partnerships was the obvious choice, with their passion for social enterprise and their helpful, pragmatic approach to support. The rescue of AAP would not have happened without Sefa Partnerships, and they remain a valued partner."

JOHN MCKINNON, Director AAP Ltd

Investor Profiles

JOHN MCKINNON
 Former balance sheet debt investor
 Currently a co-investor in two Sefa syndicates

How did you first become involved with Sefa?

We participated in co-investments with Sefa very early on, when the SEDIF grants were first given out. There wasn't a lot happening in the impact investing space and we wanted to be pioneers and first movers. In mid-2014 we invested into Sefa itself.

How did your involvement in the Nightingale syndicate come about?

We've invested in a number of Nightingale syndicates with Sefa that came about through my strong, ongoing relationships with Ben Gales and Hanna Ebeling. I would often have conversations with them about different opportunities and Nightingale was one that took off. I also introduced a couple of other investors to the syndicates. Sefa did most of the heavy lifting, a lot of the work.

What have you enjoyed about working with Sefa?

It's Sefa's willingness to have a conversation and build a relationship. Sefa has always tended to operate relationally. The reason that I knew we could make the AAP collaboration work with Sefa Partnerships (see impact story, page 25) is because the relationship had been built up over several years. AAP happened because we knew and trusted each other, and we were able to make it happen together.

GEORGINA BYRON
 Chief Executive Officer | The Snow Foundation

How/why did you first become involved with Sefa?

Our goal is to have an impact investment portfolio of 10% of the total portfolio. In 2015, we made our fourth impact investment which was with Sefa. We had been looking for further impact investment opportunities and were really impressed with Sefa and former CEO Ben Gales who patiently took the time to talk to our Board and get them more solidly to pursue the social impact journey.

During these early years, Sefa really took the lead in hosting round tables to educate the philanthropic community and the social sector to understand the benefits and importance of social returns, as well as financial returns, and what lens to use for different investments. I admired their commitment to lead these discussions, and not push their own agenda, when we were all grappling with how to grow social impact investments.

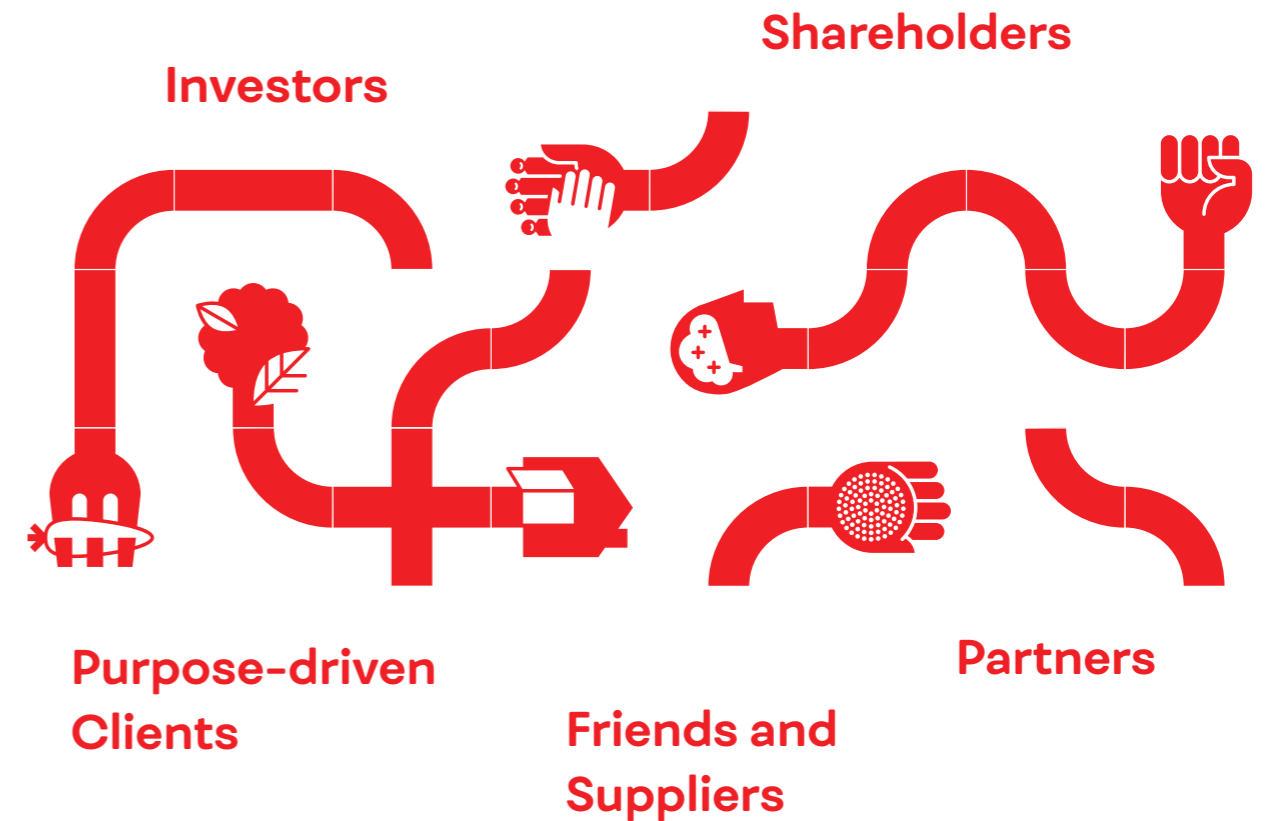
What have you enjoyed about working with Sefa?

Sefa has been a leader in social impact and a great pleasure to work with – reliable, professional, and with strong expertise. We have appreciated their openness to discuss new opportunities and pleased to have joined them in the Jigsaw investment syndicate and shared intelligence on their work on Tender Funerals (see impact story, page 10).



Thank You

Sefa and Sefa Partnerships would like to acknowledge your contribution to making the right moves for sustainable good over the past 10 years.



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Sefa acknowledges Aboriginal and Torres Strait Islander peoples as the traditional custodians of this country we call home. We pay our respect to Indigenous elders past, present and future. We recognise the significant importance of their cultural heritage, values and beliefs and how these contribute to the positive health and wellbeing of the whole community.



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